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Subject: Modifies certain payments in lieu of taxes (PILT)

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Overview

Increases the PILT payment on “other natural resources land” from \$1.50 per acre to \$2.00 per acre. Provides \$300,000 annually for calendar years 2017 to 2027 to pay unpaid property taxes on state owned land in conservation areas. Also modifies the PILT payments made by the Red River Watershed Management Board.

Section

- 1** **Types of land; payments.** Increases the per acre PILT payments for other natural resources land administered by either a county or the Department of Natural Resources (DNR) from \$1.50 per acre to \$2.00 per acre. Provides an additional \$300,000 annually for calendar years 2017 to 2027 to pay counties for unpaid property taxes on state-owned land in conservation areas. When the state acquired the tax-forfeited land, it never reimbursed local governments for the unpaid taxes. Effective for aids payable in 2017 and thereafter.
- 2** **Red River Watershed Management Board; payment in lieu of taxes.** In 2001 a special law passed requiring this watershed board to compensate counties and townships for lost revenue when the board acquired land for a flood damage reduction project. The payment was set at 20 times the lesser of the actual tax owed or \$4.00 per acre. The \$4.00 per acre is increased to \$5.133 per acre. (The state currently pays \$5.133 per acre annually for acquired natural resource land.) Current law allows payments to be made in one payment or in equal payments over a period up to 20 years. Effective for aids payable in 2017 and thereafter.